

# Committee on Ways and Means

## Part D Enrollment Deadline is May 15 Extending the Deadline Will Only Delay Benefits for Seniors

- Beneficiaries should be encouraged to get the savings and security of prescription drug coverage now. Once beneficiaries enroll, they will start saving money on their prescription drugs and begin to enjoy the security and peace of mind that come from having prescription drug coverage.
- An enrollment deadline encourages action. It is a feature of health insurance and retiree benefit programs, and of Medicare Part B and Medigap benefits. The current May 15<sup>th</sup> deadline and late enrollment penalty are important components designed to encourage enrollment.
- Many who are calling for a delay in the enrollment deadline are the same people who have been opposed to the drug benefit from the beginning and have been encouraging seniors not to enroll. Extending the deadline is a cynical attempt to tell seniors not to enroll. In fact, the CMS Office of the Actuary indicates that extending the enrollment deadline will actually lead to lower overall enrollment for the year, because it will reduce the incentive for seniors to enroll now.
- A late enrollment penalty has been a feature of Medicare Part B since Lyndon Johnson was president.
- It doesn't cost much to take action. Medicare beneficiaries can get prescription drug coverage for as little as \$1.87 per month in some states and for less than \$20 per month in every state except Alaska. In every state, beneficiaries have access to at least one plan with a deductible below the standard \$250.
- More than five million people have voluntarily signed-up during the first three months of enrollment, and 20 million others are automatically receiving benefits through a Medicare Advantage plan or employer. Tens of thousands of beneficiaries are currently enrolling every day, and there is still plenty of time to enroll in a plan.
- The Medicare prescription drug program is off to a solid start. CMS is working to fix implementation problems and ensure that the program delivers value to seniors and taxpayers. Extending the enrollment deadline will undermine the program and will only postpone the day when seniors gain access to the prescription drugs they need at affordable prices.